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United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
WASHINGTON, DC 20510-6250

September 15, 2005

The Honorable Michael D. Griffin
Administrator
National Aeronautics and Space Administration
Room 9F44
2 Independence Square
300 E Street NW
Washington, D.C. 20530

Dear Mr. Griffin:

I am writing regarding NASA's compliance with Public Law No. 107-300, the Improper Payments Information Act of 2002 (IPIA). Section 2(a) of the IPIA requires the head of each agency to identify programs and activities that are susceptible to significant improper payments. Section 2(b) requires the head of each agency to estimate the annual number of improper payments, and submit those estimates to Congress.

Information on page 8 of GAO's report, *Meeting Challenges and Requirements in Meeting the Improper Payments Information Act of 2002* (GAO-05-417), revealed that NASA's Independent Auditor, Ernst and Young, reported NASA's risk assessment did not consider all payment types or programs.

Page 7 of NASA's Performance and Accountability Report reported that all programs and activities had been assessed for risk of significant improper payments; however, Ernst & Young could not confirm this claim.

On page 243 of NASA's Performance and Accountability Report, Ernst and Young stated, "The Report also questions whether the Agency fully complied with the *Improper Payments Information Act of 2002* because NASA's risk assessment focused on payments related only to firm-fixed price contracts and because the Agency did not prepare an estimate of improper payments."

I would like to request the following information to review NASA's compliance with the Improper Payments Information Act of 2002: 1) risk assessments of all programs and activities; 2) estimates of the annual number of improper payments; and 3) a detailed description of how NASA came to conclude that all programs and activities were not at risk for making significant improper payments in fiscal year 2004.

Please provide and return the requested information to:

Liz Scranton, Chief Clerk
Subcommittee on Federal Financial Management, Government Information, and
International Security
Committee on Homeland Security and Governmental Affairs
439 Hart Senate Office Building
Washington, DC 20510

The Subcommittee would appreciate receiving this information by September 30, 2005.
If you have any questions, please contact Robin Landauer at (202) 224-2254.

Sincerely,

A handwritten signature in black ink, reading "Tom Coburn". The signature is fluid and cursive, with the first name "Tom" and last name "Coburn" clearly distinguishable.

Tom Coburn
Chairman
Subcommittee on Federal Financial
Management, Government
Information, and International
Security